

## SENATE BILL No. 54

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 7.1-3-27.

**Synopsis:** Artisan distiller's permit. Removes and repeals certain permit requirements for artisan distillers. Allows the holder of an artisan distiller's permit to: (1) sell liquor for carryout on Sunday; and (2) upon approval, conduct business at three additional locations that are separate from the premises on which the artisan distiller manufactures liquor.

**Effective:** July 1, 2015.

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January 6, 2015, read first time and referred to Committee on Public Policy.

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First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## SENATE BILL No. 54

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 7.1-3-27-5, AS ADDED BY P.L.109-2013,  
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2015]: Sec. 5. ~~(a) Except as provided in section 7 of this~~  
4 ~~chapter~~, An applicant for an artisan distiller's permit must meet ~~all~~ the  
5 following requirements to be eligible for an artisan distiller's permit:  
6 ~~(1) The permit applicant must hold one (1) of the following~~  
7 ~~permits for the three (3) year period immediately preceding the~~  
8 ~~date of the application:~~  
9 ~~(A) A farm winery permit under IC 7.1-3-12;~~  
10 ~~(B) A brewer's permit for a brewery described in~~  
11 ~~IC 7.1-3-2-7(5);~~  
12 ~~(C) A distiller's permit under IC 7.1-3-7;~~  
13 ~~(2) (1) The permit applicant may not have more than one (1)~~  
14 ~~violation of this title during the three (3) year period immediately~~  
15 ~~preceding the date of the application.~~  
16 ~~(3) (2) The permit applicant may not have any violation of this~~



title during the twelve (12) month period immediately preceding the date of the permit application.

(b) As used in this subsection, "qualifying permit" means a farm winery, brewer's, or distiller's permit under subsection (a)(1)(A), (a)(1)(B), or (a)(1)(C) that is required in order to hold an artisan distiller's permit. The same persons must directly or indirectly own and control one hundred percent (100%) of the entity that holds the qualifying permit and the artisan distiller's permit.

SECTION 2. IC 7.1-3-27-7 IS REPEALED [EFFECTIVE JULY 1, 2015]. Sec. 7: (a) This section applies only to a person that, on January 1, 2014:

(1) holds the necessary permit or license from the United States to own or operate an establishment to manufacture liquor; and  
(2) does not hold any of the permits listed in section 5(a)(1) of this chapter.

(b) A person must meet all the following requirements to be eligible for an artisan distiller's permit under this section:

(1) Any person (except for a person under subdivision (2)) who sells or furnishes liquor by the bottle or glass on the premises of the artisan distillery:

(A) must have held for at least three (3) years an employee permit under IC 7.1-3-18-9 that authorizes the person to perform bartending duties;

(B) must have completed any alcohol server program or alcohol server training program refresher courses required under IC 7.1-3-1.5; and

(C) may not have any violations under this title.

(2) The applicant for the artisan distiller's permit and any management representative of the applicant must complete an alcohol server program or a trainer program established or approved under IC 7.1-3-1.5-5.5 or IC 7.1-3-1.5-6 not more than one (1) year before the date of the application for the artisan distiller's permit.

(c) Except as provided in subsection (f)(2), the person may not be required to fulfill the requirements of section 5 of this chapter.

(d) If the person is issued an artisan distiller's permit under this section, the person must meet the following requirements for the period set forth in subsection (e):

(1) Any person selling or furnishing liquor on the premises of the artisan distillery (except for a person under subsection (b)(2)) must meet the requirements of subsection (b)(1).

(2) The holder of the artisan distiller's permit and any



management representative of the holder of the artisan distiller's permit must successfully complete refresher courses under IC 7.1-3-1.5 not later than three (3) years after the date the holder or representative completes the initial server program or trainer program.

(e) A person who is issued an artisan distiller's permit under this section must meet the requirements in subsection (d) until the later of:

(1) three (3) years after the date on which the initial artisan distiller's permit is issued; or

(2) the date that the holder of the artisan distiller's permit has one

(1) twelve (12) month period without a violation of this title:

(f) Upon fulfilling the requirements of subsections (d) and (e), a person who is issued an artisan distiller's permit under this section must meet the following requirements for as long as the person holds the permit:

(1) Any person who sells or furnishes liquor on the premises of the artisan distillery (except for a person under subsection (b)(2)) must have an employee permit under IC 7.1-3-18-9 and be otherwise authorized by the commission to perform bartending duties. However, the person is not required to:

(A) hold an employee bartending permit for three (3) years before selling or furnishing liquor; and

(B) not have any violations under this title:

(2) The holder of the artisan distiller's permit and any management representative of the holder of the artisan distiller's permit are subject to the same alcohol server training requirements and refresher course requirements as the holder of an artisan distiller's permit that meets the requirements of section 5 of this chapter.

SECTION 3. IC 7.1-3-27-8, AS AMENDED BY P.L.159-2014, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) The holder of an artisan distiller's permit may do only the following:

(1) Manufacture liquor, including blending liquor purchased from another manufacturer with liquor the artisan distiller manufactures under section 11 of this chapter.

(2) Bottle liquor manufactured by the artisan distiller.

(3) Store liquor manufactured by the artisan distiller.

(4) Transport, sell, and deliver liquor manufactured by the artisan distiller to:

(A) places outside Indiana; or

(B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.



(5) Sell liquor manufactured by the artisan distiller to consumers by the drink, bottle, or case from the premises of the distillery where the liquor was manufactured.

(6) Serve complimentary samples of the liquor manufactured by the artisan distiller to consumers on the premises of the distillery where the liquor was manufactured.

**(7) Sell liquor as authorized by this section for carryout on Sunday.**

(b) The holder of an artisan distiller's permit who provides samples or sells liquor by the glass must furnish the minimum food requirements prescribed by the commission.

**(c) With the approval of the commission, a holder of an artisan distiller's permit under this chapter may conduct business at not more than three (3) additional locations that are separate from the premises on which the artisan distiller manufactures liquor. At the additional locations, the holder of a permit may conduct any business that is authorized at the first location, except for the manufacturing, including blending, or bottling of liquor.**

~~(e)~~ **(d)** An artisan distiller who knowingly or intentionally violates this section commits a Class B misdemeanor.

